


Surviving in the Competitive Marine Terminal Industry

**American Association of Port Authorities
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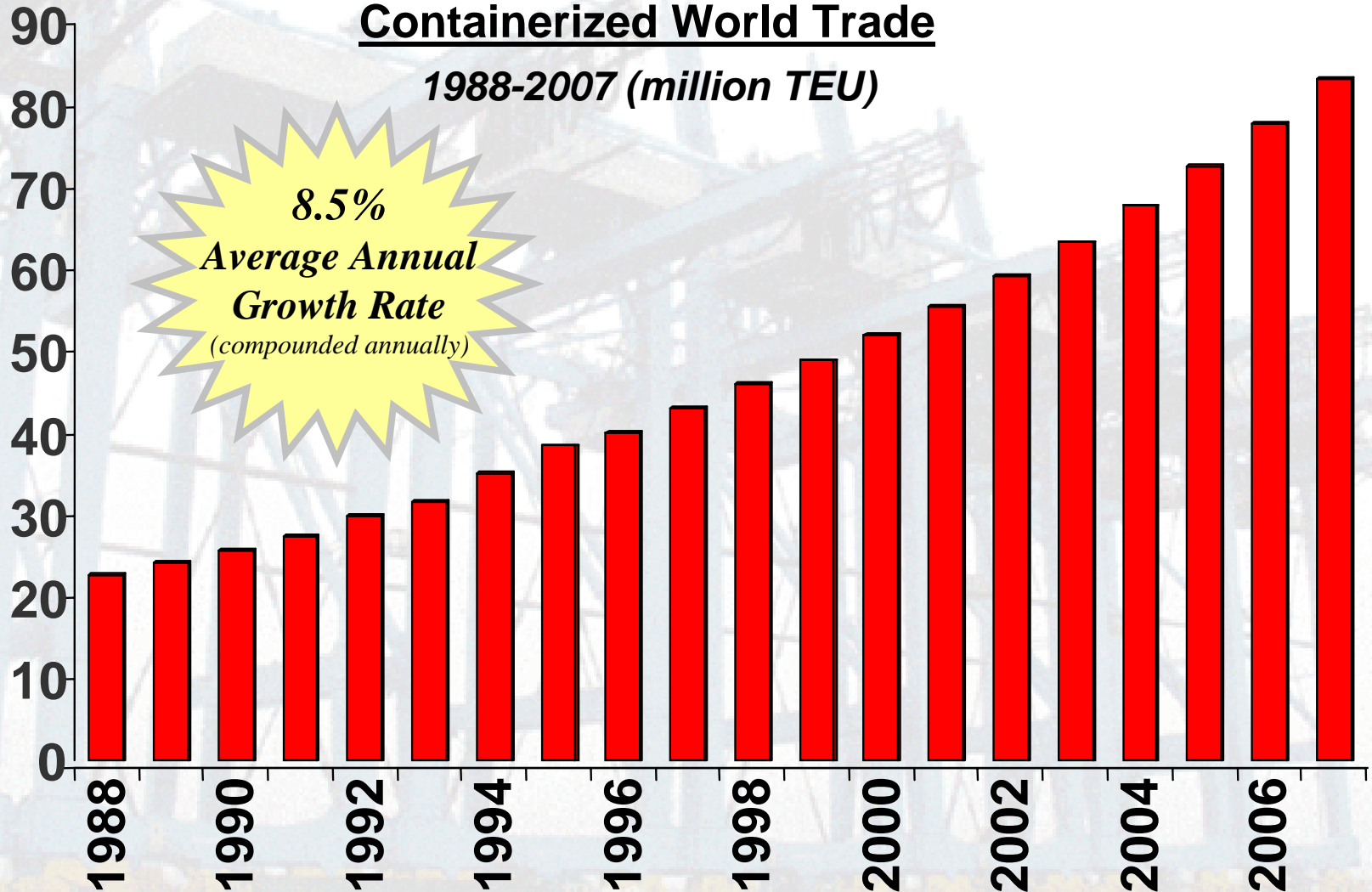
- 
- **Industry Outlook**
 - **Key Survival Factors**



Industry Outlook

Containerized World Trade

1988-2007 (million TEU)



Source: Clarkson Research Studies and WestLB Panmure



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Key Survival Factors

➤ **Safety**

➤ **Cost**

➤ **Service**

➤ **“X” Factors**



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Safety

- **Marine Terminal Safety is governed by Pacific Coast Marine Safety Code and OSHA Codes 1917 and 1918**
- **Average accident cost = \$17,000**
- **Training/Awareness/Accountability**



Cost

“With small profit margins and declining freight rates, you must be a low cost service provider”

- **Land Cost**
- **Capital Cost – Equipment
– Technology**
- **Labor Cost**



Service

- **Vessel Productivity – 30+ MPH**
- **Gate Turntime – 45 minutes or less**
- **Data Integrity**
- **Efficient electronic interchange of data**



“X” Factors

- **Security**
 - **Federal MTSA Compliance**
 - **M.M.O. ISPS Compliance**
 - **C-TPAT/OSC/CSI Partnerships**

- **Environmental**
 - **Aesthetics**
 - **Endangered Species**
 - **Air Quality**

- **Trucking**
 - **Available Power**



“X” Factors

➤ **Infrastructure**

- **Railroads**
- **Roadways**
- **Bridges**

➤ **Technology**

- **Efficiency**
- **Reliability**



THANK YOU.



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